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BEFORE THE ARIZONA CORPORATIC

IN THE MATTER OF:

CATHARON SOFTWARE CORPORATION,
a Delaware corporation,BETSY A. FEINBERG and
MICHAEL A. FEINBERG,
husband and wife,

Respondents.

DOCKET NO.
S-20905A-14-0061PROCEDURAL Arizona Corporation Commission
CONFERENCE**DOCKETED**

APR 22 2014

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2014 APR 22 P 12:39

RECEIVED

At: Phoenix, Arizona

Date: April 14, 2014

Filed:

APR 22 2014REPORTER'S TRANSCRIPT OF PROCEEDINGSCOASH & COASH, INC.
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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Corporation Commission, 1200 West Washington
4 Street, Phoenix, Arizona, commencing at 1:34 p.m. on the
5 14th day of April, 2014.

6

7 BEFORE: MARK PRENY, Administrative Law Judge

8

9 APPEARANCES:

10 For the Arizona Corporation Commission Securities
11 Division:

12 Mr. James D. Burgess
13 Enforcement Attorney, Securities Division
14 1300 West Washington Street, Third Floor
15 Phoenix, Arizona 85007
16 (602) 542-0171
17 (Appearing via teleconference)

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For the Respondents:

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20 HEURLIN SHERLOCK
21 By Mr. Bruce R. Heurlin
22 1636 N. Swan Road, Suite 200
23 Tucson, Arizona 85712
24 (520) 319-1200
25 (Appearing via teleconference)

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GARY W. HILL, RMR, CRR
Certified Reporter
Certificate No. 50812
(Appearing via teleconference)

1 ALJ PRENY: We will go on the record. We're
2 scheduled for a quick set telephonic status conference
3 in the matter of Catharon Software Corporation, Betsy A.
4 Feinberg and Michael A. Feinberg. This is Docket
5 No. S-20905A-14-0061. My name is Mark Preny. I'll be
6 presiding over this matter this afternoon.

7 Let's go ahead and take appearances for the
8 record beginning with counsel for the Securities
9 Division.

10 MR. BURGESS: This is James Burgess for the
11 Securities Division.

12 ALJ PRENY: And for the Respondents?

13 MR. HEURLIN: This is Bruce Heurlin on behalf
14 of all of the Respondents.

15 ALJ PRENY: Mr. Burgess, are you expecting
16 anyone else to be present today for the Division besides
17 yourself?

18 MR. BURGESS: No, Your Honor.

19 ALJ PRENY: And Mr. Heurlin, are you expecting
20 anyone else either?

21 MR. HEURLIN: No, Your Honor.

22 ALJ PRENY: All right. My understanding is
23 that there has been some kind of an issue following our
24 prehearing conference last week with the scheduled dates
25 of October 20th for the hearing. I guess whoever has

1 raised the issue may go ahead and advise me of what the
2 problem is.

3 MR. HEURLIN: Okay, Bruce Heurlin. The
4 problem is that I have two jury trials during the month
5 of October that did not show up on my cell phone, and so
6 I cannot do the hearing at the scheduled time.

7 Mr. Burgess and I talked about this, and we
8 are free in the month of November; and if we could
9 schedule this so that it would be completed prior to
10 Thanksgiving, that would work out for both parties.

11 ALJ PRENY: Are we still -- I think I had an
12 estimate of at least about 14 days for completion. Is
13 that still what the parties are looking at?

14 MR. BURGESS: For the Securities Division,
15 yes, Your Honor.

16 MR. HEURLIN: Yes, and I think that that's
17 what we should set it for. At the hearing we had, we
18 talked about exchange of exhibits and witnesses, having
19 a hearing that would be 14 days starting the first day
20 at 10:00 a.m. and after that 9:00 a.m. until the end of
21 the day or whenever is convenient. And if the
22 Securities Division wanted to file an amended notice, it
23 would be due by June 2.

24 ALJ PRENY: That is my recollection as well.
25 I'm looking at the calendar. And with leaving dates

1 open for November 5 and November 6 for the Open
2 Meeting, November 11 for Veterans Day, 14 days. If we
3 meet on every other state workday, we would be
4 concluding November 25th, which is only -- Thanksgiving
5 is on the 27th. Does that seem to be what both sides
6 agree that we could have it completed by the 25th or
7 26th?

8 MR. BURGESS: This is James Burgess. Yes,
9 Your Honor, I think we can do that.

10 MR. HEURLIN: Yes, this is Bruce Heurlin. I
11 agree.

12 ALJ PRENY: Let me quickly look at the
13 Division calendar and make sure we don't have any
14 conflicts for those available days.

15 Excluding the three days for Open Meeting and
16 Veterans Day, I'll go ahead and reserve a hearing room.
17 We'll begin the hearing then November 3, Monday, at
18 10:00 a.m. with subsequent days convening at 9:00 a.m.,
19 and we'll reserve through November 26.

20 MR. HEURLIN: So are we going to be -- this is
21 Bruce Heurlin. Are we going to be during the week of
22 November 3 going just Monday, Tuesday, or Thursday or
23 what?

24 ALJ PRENY: We can do Monday, Tuesday and
25 Friday, but I've been advised that the Wednesday and

1 Thursday, which are scheduled for Open Meeting, we will
2 not be able to schedule for.

3 MR. HEURLIN: Okay. I would rather do just
4 Monday and Tuesday then, since we're in Tucson.

5 ALJ PRENY: If that's -- sure, if that's
6 more -- will the November 10th Monday pose an issue
7 before Veterans Day on the 11th?

8 MR. HEURLIN: No, we could go the whole
9 week -- I mean the whole week of November 10th except
10 for the 11th. That would be fine.

11 ALJ PRENY: Then we'll schedule it that way.
12 We'll just exclude the Open Meeting dates, Veterans Day
13 and November 7th. Mr. Burgess, does that sound
14 acceptable to you as well?

15 MR. BURGESS: Yes, Your Honor.

16 ALJ PRENY: Okay. Any other issues for the
17 Division? Mr. Burgess?

18 MR. BURGESS: No. I do want to -- well,
19 actually, yes. I just want to follow up while we're on
20 the record with Mr. Heurlin about the conflict
21 acknowledgment and waiver. Will he be -- I'm wondering
22 if he's amenable to filing something to that effect?

23 MR. HEURLIN: And the answer is yes. I will
24 be filing it. I really haven't done anything on that
25 issue since the hearing, but I do have a form that a

1 lawyer prepared in another case that I probably will
2 discard and prepare my own form, but I will do that.
3 I'll try to do that by the end of the week. No, I can't
4 do that, because the Feinbergs are out of town. So as
5 soon as they come back, I'll do it. But I would expect
6 that would be fairly soon, a month before the hearing.
7 I'll try to do it this month assuming they come back
8 from wherever they went to.

9 ALJ PRENY: Okay. Any other issues,
10 Mr. Burgess?

11 MR. BURGESS: No, Your Honor.

12 ALJ PRENY: And June 2nd is still an
13 acceptable deadline for the notice?

14 MR. BURGESS: Yes.

15 ALJ PRENY: And Mr. Heurlin, any other issues
16 for the Respondents?

17 MR. HEURLIN: No. But I do want to thank you,
18 Judge, for taking the time to do this. I should have
19 had this on my calendar.

20 ALJ PRENY: Not a problem. These things
21 happen. I understand. So with the hearing starting
22 November 3, then correspondingly, obviously, the witness
23 and exhibit lists will be 30 days from that date.

24 There being nothing further, we are adjourned
25 for now. Thank you very much.

1 MR. BURGESS: Thank you.

2 MR. HEURLIN: Thank you.

3 (The proceeding concluded at 1:43 p.m.)

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1 STATE OF ARIZONA)
2) ss.
3 COUNTY OF MARICOPA)
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7 I, GARY W. HILL, Certified Reporter No. 50812
8 for the State of Arizona, do hereby certify that the
9 foregoing printed pages constitute a full, true and
10 accurate transcript of the proceedings had in the
11 foregoing matter, all done to the best of my skill and
12 ability.
13

14 WITNESS my hand this 15th day of April, 2014.
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GARY W. HILL, RMR, CRR
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